Callaway Golf Company

First Quarter 2026 Earnings Conference Call

May 7, 2026

IMPORTANT NOTICES

Forward-looking Statements. During the presentation, any comments made about future plans, events, financial results, performance, prospects, or growth opportunities, including statements relating to the Company's financial outlook (including, among others, revenues, the Non-GAAP Projections, gross margins, tax rates, return on investment and capital expenditures), future stock repurchases, reinvestments in the business, new product lines and their benefits, strength and demand of the Company's products and services, addressable markets and the consumer base, continued brand momentum, the health of the consumer, success of marketing initiatives, the shift away from lower margin products and channels, impacts of foreign exchange rates, taxes and tariffs and mitigation efforts related thereto, potential refunds of IEEPA tariffs, future cash balances and leverage, and statements of belief and any statement of assumptions underlying any of the foregoing, are forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995. These forward-looking statements are often characterized by the use of words such as "estimate," "expect," "anticipate," "project," "plan," "intend," "seek," "believe," "forecast," "foresee," "likely," "may," "should," "would," "goal," "target," "might," "will," "could," "predict," "continue" and the negative or plural of these words and other comparable terminology. Such statements reflect the Company's best judgment as of the time made based on then current market trends and conditions. Actual results could differ materially from those as a result of certain risks, unknowns and uncertainties applicable to the Company and its business. For additional details concerning these and other risks and uncertainties that could affect these statements and the Company's business, see the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as well as other risks and uncertainties detailed from time to time in the Company's reports on Forms 10-Q and 8-K subsequently filed with the SEC from time to time. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Regulation G. In addition, in order to assist you with period-over-period comparisons on a consistent and comparable basis, today's presentation includes certain non-GAAP information, which may include non-GAAP financial measures within the meaning of Regulation G. The Company provided information excluding non-cash amortization of acquired intangible assets, including customer and distributor relationships and acquired developed technology related to the Company's acquisitions of TravisMathew and OGIO. In addition, the Company has provided information excluding certain non-recurring items which are identified in the appendix to this presentation. These non-GAAP measures should not be considered as a substitute for any measure derived in accordance with GAAP. The Company also (i) excludes income or losses from equity method investments from non-GAAP net income (loss) from continuing operations and Adjusted EBITDA from continuing operations, and (ii) adds back certain term loan interest expense incurred at the corporate level and included in discontinued operations to continuing operations in order to show the full effect of consolidated interest expense. The non-GAAP information may also be inconsistent with the manner in which similar measures are derived or used by other companies. Management uses such non-GAAP information for financial and operational decision-making purposes and as a means to evaluate period-over-period comparisons and in forecasting the Company's business going forward. Management believes that the presentation of such non-GAAP information, when considered in conjunction with the most directly comparable GAAP information, provides additional useful comparative information for investors in their assessment of the underlying performance of the Company's business with regard to these items. The Company has provided reconciliations of such non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP. The reconciliations are included in the appendix to this presentation.

For forward-looking Adjusted EBITDA from continuing operations and Free Cash Flow (together, the "Non-GAAP Projections") provided in this presentation, reconciliation of such Non-GAAP Projections to the most closely comparable GAAP financial measure is not provided because the Company is unable to provide such reconciliation without unreasonable efforts. The inability to provide a reconciliation is because the Company is currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact the applicable GAAP financial measure in the future but would not impact the Non-GAAP Projections. These items may include the Company's level of capital expenditures, certain non-cash depreciation, which will fluctuate based on the Company's level of capital expenditures, non-cash amortization of intangibles related to the Company's acquisitions, income taxes, which can fluctuate based on changes in the other items noted and/or future forecasts, and other non-recurring costs and non-cash adjustments. Historically, the Company has excluded these items from the Non-GAAP Projections. The Company currently expects to continue to exclude these items in future disclosures of such measures and may also exclude other items that may arise. The events that typically lead to the recognition of such adjustments are inherently unpredictable as to if or when they may occur, and therefore actual results may differ materially. This unavailable information could have a significant impact on the applicable GAAP measure.

HIGHLIGHTS

- Q1 Net Sales, Non-GAAP Net Income from Cont Ops and Adjusted EBITDA increased 9%, 96% and 31% year-over-year, respectively.
- Q1 Non-GAAP Gross Margin increased 260 basis points year-over-year.
- Repurchased $79 million of outstanding common shares through April 2026, including $75 million in open market transactions.
- On May 1, upon maturity, the Company settled in full its $258 million of convertible notes in cash and remains in a net cash position.
- Increasing full year 2026 net sales outlook to $2.015 billion - $2.070 billion and Adjusted EBITDA outlook to $211 million - $233 million.

THE GAME OF GOLF STARTS STRONG IN 2026

Healthy Golf Market Fundamentals

- U.S. rounds played in Q1 were up 4.9%
- U.S. estimated golf equipment sell through at key accounts was up low to mid single digits in Q1
- U.S. estimated OEM shipments were up ~2% in Q1
- Japan market was down slightly in Q1
- UK and Europe markets estimated to be up low-single digits in Q1

Source: National Golf Foundation, Golf Datatech and information gathered from U.S. and Europe retailers

RECENT BRAND HIGHLIGHTS

- MyGolfSpy has recognized Quantum Max, Triple Diamond and Max D as the 3 longest Drivers of 2026
- In March, our new Quantum fairway woods helped us return to the #1 fairway wood in Asia
- U.S. golf ball market share in March was up 350 bps year-over-year and set a new record level of 23.9% at green grass
- MyGolfSpy recognized the Callaway Tour Authentic Triple Diamond as the “Best Golf Glove” for 2026 and one of the best golf gloves ever.
- TravisMathew launched its spring “The Course is Calling” campaign, anchored by the Hero Hour Short, which has quickly become the number one selling short in DTC.

Source: National Golf Foundation, Golf Datatech, MyGolfSpy

2026 OUTLOOK

FULL YEAR 2026[1]

($ in millions)	Current FY 2026 Guidance	Prevoius FY 2026 Guidance	FY 2025 Results[2]
Consolidated Net Sales	$2,015 to $2,070	$1,980 to $2,050	$2,060
Consolidated Adjusted EBITDA	$211 to $233	$170 to $195	$222

Q2 2026[1]

($ in millions)	Q2 2026 Guidance	Q2 2025 Results[2]
Consolidated Net Sales	$585 to $610	$600
Consolidated Adjusted EBITDA	$98 to $108	$92

Full Year 2026 Guidance Assumptions[1]

- Approx. $50M gross tariff impact, a $25M reduction from our previous forecast. (incremental ~$16M in 2026)
- CapEx of $35-40M
- Non-GAAP Gross Margins now projected to be up year-over-year
- Approx. 20% Tax Rate

Q2 2026 Guidance Assumptions[1]

- Mid-single digit dollar Net Sales headwind from FX
- Minimal impact from new tariffs

Significant work underway to expand margin profile of the business, including rationalizing lower margin portions of our business and increasing the length of certain golf equipment life cycles

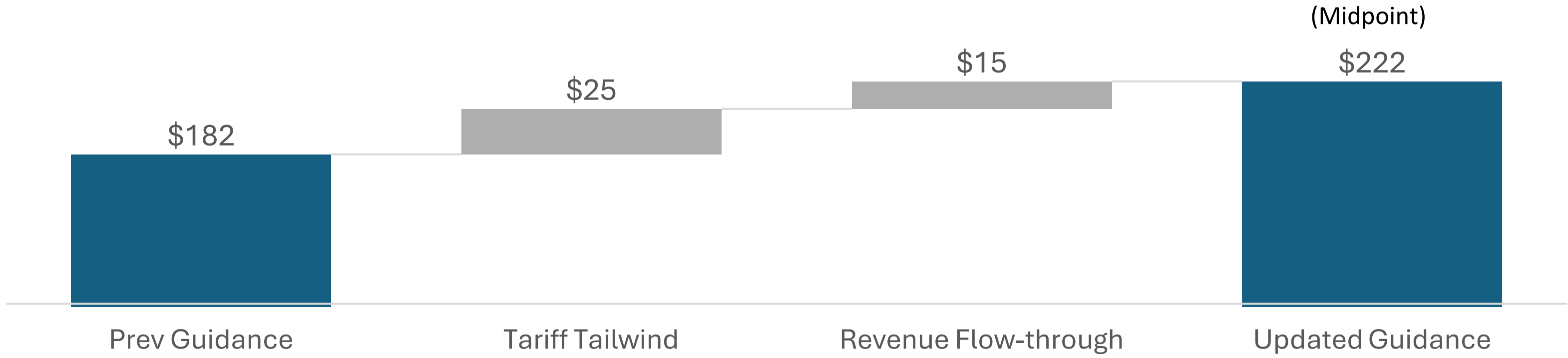
[1] Consolidated Adjusted EBITDA, which reflects Adjusted EBITDA from Continuing Operations, is a non-GAAP measure. See appendix for a reconciliation to GAAP net income from continuing operations. Free Cash Flow is a non-GAAP measure calculated as cash flows from operations less capital expenditures. See slide 2 for further information on the use of non-GAAP measures.
[2] 2025 results exclude Jack Wolfskin, Topgolf and Toptracer results.

UPDATED FULL YEAR 2026 GUIDANCE WALK

2026 Net Sales Guidance Range of $2,015 – 2,070M

<u>Net Sales increased $28M</u> at the midpoint due to stronger than expected sales growth trends

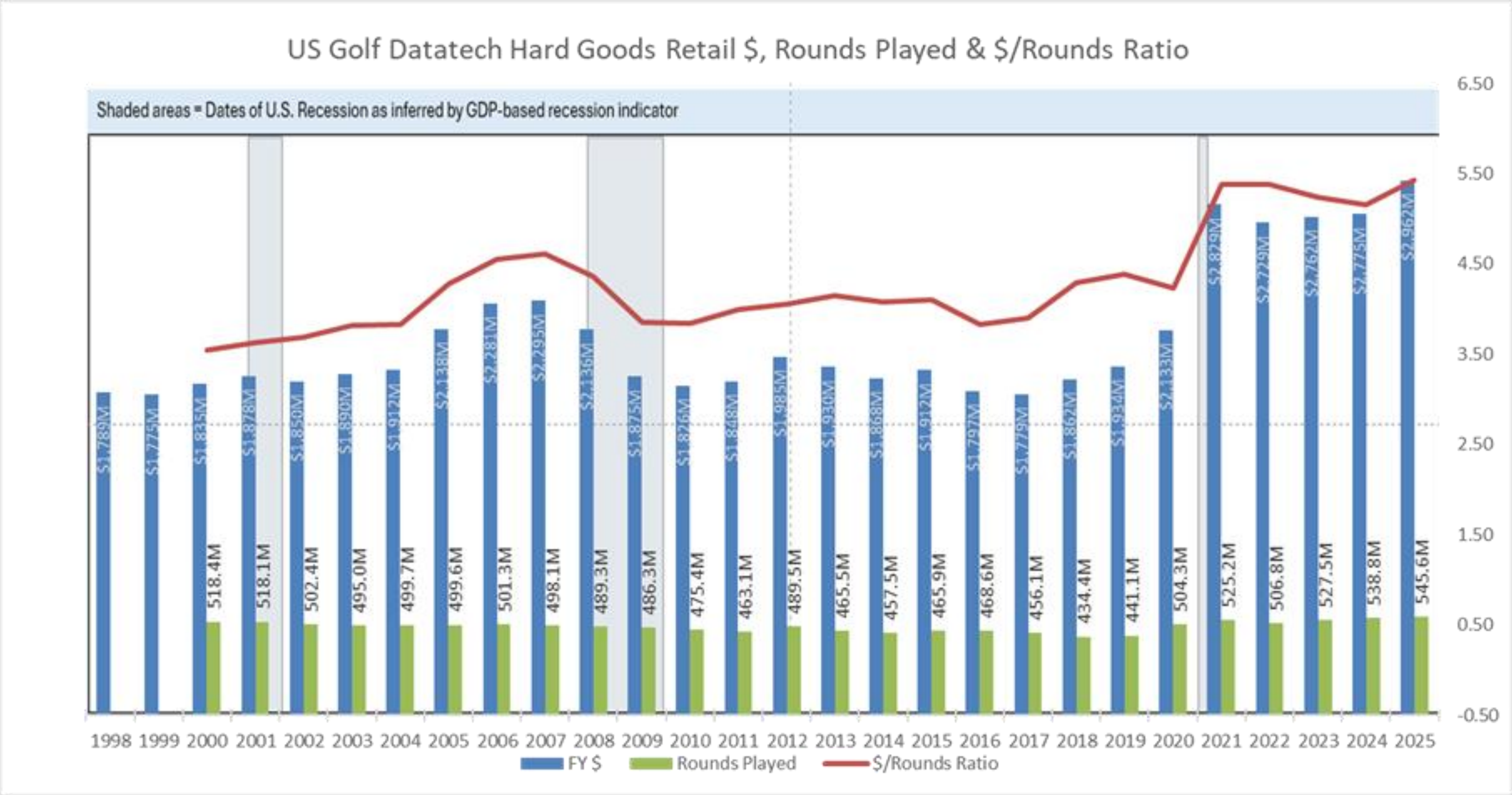
2026 Adjusted EBITDA Guidance Range of $211 - 233M



<u>Adjusted EBITDA increased $40M</u> at the midpoint due to ~$25M benefit from lower rate tariffs and $15M margin flow through from higher revenue forecast

Note: $ in millions, numbers may not foot due to rounding

RESILIENCE OF CORE GOLFER IN ECONOMIC DOWNTURNS



1. US Golf Datatech combined channel on-course and off-course, excluding sporting goods, mass channel, club, and some ecommerce, through 12/31/2025.
2. US Golf Datatech and the National Golf Foundation estimated rounds played data through 12/31/2025.

FIRST QUARTER 2026 FINANCIAL RESULTS

Q1 2026 NON-GAAP RESULTS[1]

($ in millions, except per share data)	Q1 2026	Q1 2025	Change (%)
Net Sales	$ 687.5	$ 629.6	9 %
Net Income (Loss) From Continuing Operations	$ 111.8	$ 57.1	96 %
Diluted Earnings (Loss) Per Share From Continuing Operations	$ 0.56	$ 0.30	87 %
Adjusted EBITDA	$ 163.7	$ 124.9	31 %

Note: Consolidated numbers represent results from continuing operations

1. See Appendix for calculation methodologies of non-GAAP measures and reconciliations to GAAP. See slide 2 for further information on the use of non-GAAP measures.

FIRST QUARTER 2026 SEGMENT FINANCIAL RESULTS

Q1 2026 NET SALES

($ in millions)	Q1 2026	Q1 2025	Change (%)
Golf Equipment	**$ 486.2**	**$ 443.9**	**10 %**
Golf Club	$ 380.6	$ 340.0	12 %
Golf Ball	$ 105.6	$ 103.9	2 %
Apparel, Gear and Other	**$ 201.3**	**$ 185.7**	**8 %**
Apparel	$ 102.7	$ 98.0	5 %
Gear and Other	$ 98.6	$ 87.7	12 %

Note: Consolidated numbers represent results from continuing operations.

FIRST QUARTER 2026 REGIONAL RESULTS

Q1 2026 NET SALES

($ in millions)	Q1 2026	Q1 2025	Change (%)	Constant Currency vs. 2025
United States	$ 448.8	$ 416.1	8 %	8 %
Europe	$ 83.2	$ 64.3	29 %	18 %
Asia	$ 103.6	$ 106.8	(3) %	(1) %
Rest of World	$ 51.9	$ 42.4	22 %	16 %

Note: Consolidated numbers represent results from continuing operations.

NET DEBT LEVERAGE

	May 1, 2026 (Pro-Forma)	March 31, 2026	March 31, 2025
Total Principal – Long term debt & ABL credit facilities	$ 215.5	$ 473.8	$ 1,494.0
Equipment financing lease liabilities	1.1	1.1	0.6
Less: Unrestricted cash	(241.2)	(499.5)	(317.0)
Total Net Debt [1]	$ (24.6)	$ (24.6)	$ 1,177.6
Trailing twelve month Adjusted EBITDA [2]	$ 261.2	$ 261.2	$ 275.8
Total Net Debt Leverage Ratio [1]	**(0.1)x**	**(0.1)x**	**4.3 x**

On May 1, the Company settled the $258 million of convertible notes outstanding in cash and remains in a net cash position

1. Total Net Debt and Total Net Debt Leverage Ratio are non-GAAP measures. See slide 2 for further information on the use of non-GAAP measures.
2. See "Adjusted EBITDA Reconciliation" slide for reconciliation to the most directly comparable GAAP measure (net income from continuing operations).

CAPITAL ALLOCATION STRATEGY

Reinvest in the business to unlock high ROI embedded growth

Maintain a healthy balance sheet by prudently managing leverage
Expect to end 2026 with a net cash to zero net leverage position

Return capital to shareholders through buybacks
$200 million repurchase authorization

Appendix

SEGMENT OPERATING INCOME

Supplemental Financial Information
($ in millions, except percentages)
(Unaudited)

(in millions, except percentages)	Three Months Ended March 31,		
	2026	**2025**	**Change**
Golf Equipment	117.6	101.8	15.5%
% of segment net sales	24.2 %	22.9 %	130 bps
Apparel, Gear and Other	52.0	35.4	46.9%
% of segment net sales	25.8 %	19.1 %	670 bps
Total Segment Operating Income (Loss) [(1)]	$ 169.6	$ 137.2	23.6%
% of segment net sales	24.7 %	21.8 %	290 bps
Total Segment Constant Currency Operating Income Growth (Decline)			18.9 %

[(1)] Segment Operating income excludes corporate general and administrative expenses not utilized by management in determining segment profitability, certain non-recurring expenses, amortization of acquired intangibles, and adjustments for discontinued operations related to indirect costs that were previously allocated to a segment.

FULL YEAR NON-GAAP RECONCILIATION

Supplemental Financial Information
($ in millions)

	Three Months Ended March 31,									
	2026						2025			
	GAAP	Non-Cash Acquisition-related Amortization	Tax Valuation Allowance	Non-Recurring Items[(1)]	(Loss) from Equity Method Investments	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items[(2)]	Non-GAAP
Net sales	$ 687.5	$ —	$ —	$ —	$ —	$ 687.5	$ 629.6	$ —	$ —	$ 629.6
Cost of sales	360.8	—	—	1.1	—	359.7	346.0	—	0.3	345.7
Gross profit	$ 326.7	$ —	$ —	$ (1.1)	$ —	$ 327.8	$ 283.6	$ —	$ (0.3)	$ 283.9
Gross margin	*47.5 %*					*47.7 %*	*45.0 %*			*45.1 %*

(1) Non-recurring items from continuing operations primarily includes $1.0 million of charges incurred to relocate to a new UK warehousing property as a result of the sale of the Jack Wolfskin business in 2025.

(2) Non-recurring items from continuing operations primarily includes restructuring and reorganization costs.

	Three Months Ended March 31,									
	2026						2025			
	GAAP	Non-Cash Acquisition-related Amortization	Tax Valuation Allowance[(3)]	Non-Recurring Items[(1)]	(Loss) from Equity Method Investments[(4)]	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Interest Expense & Non-Recurring Items[(2)]	Non-GAAP
Income (loss) from operations	$ 138.2	$ (0.2)	$ —	$ (3.8)	$ —	$ 142.2	$ 103.1	$ (0.1)	$ (1.2)	$ 104.4
Net income (loss) from continuing operations	$ 74.9	$ (0.2)	$ 0.1	$ (4.4)	$ (32.4)	$ 111.8	$ 63.4	$ —	$ 6.3	$ 57.1

(1) Non-recurring items from continuing operations primarily includes $7.5 million of other expense related to the continuing operations portion of the $15.0 million write off of debt issuance costs due to the $1.0 billion partial repayment of the term loan in January 2026 in connection with the sale of Topgolf, $1.0 million of costs related to the relocation to a new UK warehouse as a result of the sale of the Jack Wolfskin business in 2025, $1.0 million of restructuring charges related to the Transformation Plan and a $0.7 million write-off of software assets stemming from our separation from Topgolf. These costs were partially offset by a $4.3 million gain on our investment in Five Iron.

(2) Non-recurring items from continuing operations primarily include $0.7 million of restructuring charges related to the Transformation Plan. In addition, $9.5 million of term loan interest expense incurred at the corporate level and included in discontinued operations is reflected as part of continuing operations in order to show the full effect of consolidated interest expense.

(3) During the first quarter of fiscal year 2026, we released valuation allowances on certain U.S. deferred tax assets in both continuing and discontinued operations related to the disposal of the Topgolf and Jack Wolfskin businesses.

(4) Represents our 40% proportionate share of Topgolf's net loss, which is accounted for under the equity method.

	Three Months Ended March 31,									
	2026						2025			
	GAAP	Non-Cash Acquisition-related Amortization	Tax Valuation Allowance	Non-Recurring Items	(Loss) from Equity Method Investments	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Interest Expense & Non-Recurring Items	Non-GAAP
Diluted earnings (loss) per share from continuing operations [(1)]	$ 0.38	$ —	$ —	$ (0.02)	$ (0.16)	$ 0.56	$ 0.33	$ —	$ 0.03	$ 0.30
Weighted-average shares outstanding - diluted	202.7	202.7	202.7	202.7	202.7	202.7	198.2	198.2	198.2	198.2

(1) When aggregated, earnings per share amounts may not add across due to rounding.

ADJUSTED EBITDA RECONCILIATION

Supplemental Financial Information
($ in millions)

	2026 Trailing Twelve Month Adjusted EBITDA					2025 Trailing Twelve Month Adjusted EBITDA				
	Quarter Ended					Quarter Ended				
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	Total	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	Total
Net income (loss) from continuing operations	$ 45.5	$ (4.1)	$ (66.0)	$ 74.9	$ 50.3	$ 99.4	$ 31.0	$ (93.9)	$ 63.4	$ 99.9
Interest expense (income), net	15.3	14.8	15.6	5.8	51.5	15.9	15.1	14.7	14.9	60.6
Income tax provision (benefit)	13.1	2.7	5.8	32.7	54.3	(17.8)	(34.8)	62.2	27.2	36.8
Non-cash depreciation and amortization expense	11.2	10.8	10.4	10.8	43.2	10.9	11.3	11.8	11.7	45.7
Non-cash stock compensation and stock warrant expense, net	5.4	5.8	6.7	6.5	24.4	6.0	5.6	7.1	5.9	24.6
Non-cash lease amortization expense	0.6	0.3	0.1	(0.5)	0.5	0.6	0.4	0.4	0.6	2.0
Acquisitions & non-recurring items, before income taxes[1]	0.9	0.3	2.3	5.8	9.3	1.7	1.2	2.1	1.2	6.2
Loss from equity method investments	—	—	—	27.7	27.7	—	—	—	—	—
Adjusted EBITDA	$ 92.0	$ 30.6	$ (25.1)	$ 163.7	$ 261.2	$ 116.7	$ 29.8	$ 4.4	$ 124.9	$ 275.8

[1] In 2026, amounts primarily relate to the write-off of a proportionate amount debt issuance costs due to the $1.0 billion partial repayment of term loan debt in January 2026 in connection with the sale of Topgolf, charges incurred to relocate to a new UK warehouse in connection with the sale of the Jack Wolfskin business, the write-off of IT assets stemming from the sale of Topgolf, and restructuring charges related to the Transformation Plan, partially offset by remeasurement gains on our cost method investment and gains on the disposal of intellectual property. In 2025, amounts primarily include restructuring and reorganization charges related to the Transformation Plan. In 2024, amounts primarily include restructuring and reorganization charges related to the Transformation Plan, IT integration costs associated with the implementation of a new cloud based HRM system, IT costs related to a cybersecurity incident, and costs incurred to centralize warehousing and distribution operations to achieve synergies in connection with the Company's acquisitions.